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July 20, 2020

**VIA, ELECTRONIC FILING**

The Honorable Jocelyn Boyd  
Chief Clerk and Administrator  
The Public Service Commission of South Carolina  
101 Executive Center Drive  
Columbia, South Carolina 29210

Re: Docket 2019-184-E: Comments on DESC's Proposed VIC Mitigation Protocol

Ms. Boyd:

These Comments are provided on behalf the South Carolina Solar Business Alliance, Inc. (“SBA”), and are filed in compliance with Commission Order 2020-60-H, issued on June 26, 2020. I respectfully request that the Commission consider these Comments in the above-referenced Docket.

Pursuant to S.C. Code Reg. 103-825 of the Rules of Practice and Procedures of the Public Service Commission of South Carolina (“Commission”), and other applicable Rules and Regulations, the SBA by and through counsel, hereby files the following Comments in response to the proposed mitigation protocols for reduction or avoidance of the Variable Integration Charge (“VIC”) and/or Embedded Integration Charge (“EIC”, and together with the VIC, “Integration Charges”) filed with this Commission by Dominion Energy South Carolina (“DEC”) on June 1, 2020:

1. In prior orders in this case, the Commission has rejected DESC's proposed methodologies for the calculation of Integration Charges as unsupported by evidence. The current VIC of \$.96/MWh is an interim value, intended to serve as a placeholder until the integration study called for by Act 62 has been conducted and the Commission approves an alternative methodology for quantifying the costs of solar integration. Unless and until such a methodology is approved, it is not possible to determine how good a “fit” there is between a

proposed mitigation protocol and the actual costs of integration. Therefore SBA submits that DESC should be required to publish a revised mitigation protocol, and that SBA and other parties be permitted to provide comment on that protocol, after an integration study has been completed and/or the Commission approves a methodology for calculating Integration Charges.

2. The proposed Protocols use a “solar site variability metric” (“SSVM”) to assess, on a monthly basis, whether a solar facility is operating so as to reduce the magnitude of unplanned generation drops and “provide a ‘smoother’ generation profile” for that month. The SSVM is measured every five minutes, and is calculated by the change in energy production over the preceding hour, divided by the project’s production at the beginning of the hour. DESC deems the maximum observed SSVM value of any five-minute period to be the SSVM for that month. If a facility’s SSVM for the month is 25% or less, it pays no Integration Charges that month. If it is greater than 25% but less than 45%, the facility pays half the full Integration charge. If the SSVM exceeds 45%, the facility pays the full Integration Charge that month.

Unfortunately, the SSVM is not a reliable indicator of solar site volatility, because DESC looks only at the maximum volatility measured at the facility on a five-minute interval during the entire month, rather than the average volatility, or some other aggregate measure. Thus, a solar generator that maintained a perfectly smooth generation profile over an entire month, but had an SSVM of more than 45% during a single five-minute period, would still have to pay Integration Charges. SBA submits that this is an inaccurate and unreasonably stringent measure of solar volatility. It would be more accurate and more reasonable to use a composite measure of solar volatility, such as the mean (not maximum) SSVM, or an average of the five-minute periods with the highest volatility during the month.

3. DESC’s proposed requirements for submittal of the SSVM spreadsheet by Sellers are unreasonably punitive and without any rational basis. DESC proposes that: (a) a Seller must submit to DESC, within two (2) business days of month-end, the prior month’s SSVM, a completed SSVM Spreadsheet, and “all other information reasonably requested by Buyer to support Seller’s calculation of the SSVM”; and (b) “Any Seller that is required to deliver the SSVM Spreadsheet, but fails to do so for two consecutive months, shall be ineligible to utilize the Protocols going forward” for the entire term of their contract.<sup>1</sup>

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<sup>1</sup> These requirements appear to apply even in months where a Seller does not seek mitigation of Integration Charges.

There is simply no basis for these draconian requirements. DESC may find the information provided by Sellers operationally useful, but it is not necessary for any purpose other than determining whether the Seller is eligible for mitigation of Integration Charges for a particular month. Nor is there any reason DESC needs the information within two days of month-end. A five-business day delivery requirement would be far more reasonable.

Disqualification of Sellers for failing to provide the SSVM twice (over a period of ten years) is also arbitrarily punitive and not in the interest of ratepayers, because it disincentivizes solar projects from investing in the equipment necessary to reduce volatility, or from operating in a way that reduces volatility if they are disqualified from using the Protocols. The fact that a solar facility must submit the spreadsheet to obtain mitigation of Integration Charges for a given month is sufficient incentive to ensure compliance.

In conclusion, SBA submits that:

1. This Commission should direct DESC to file, for comment and Commission approval, an updated Protocol after an integration study has been completed and/or this Commission approves a methodology for calculating Integration Charges;
2. The monthly SSVM should not be assessed based on the maximum SSVM of any five-minute period during the month, but on the average SSVM, or some other reasonable aggregate value; and
3. Sellers should be allowed five (5) business days after month-end to submit the SSVM spreadsheet to DESC, and should not be disqualified from using the Protocols for the duration of their PPA based on failure to deliver the SSVM spreadsheet.

Respectfully Submitted,  
**WHITT LAW FIRM, LLC**

/s/Richard L. Whitt  
Richard L. Whitt,  
As Counsel for the South Carolina Solar  
Business Alliance, Inc.

RLW/cas

cc: All parties of Record in Docket 2019-184-E, *via electronic mail*